
UNITED STATES BANKRUPTCY COURT FOR THE MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION

In re: Alexander Group LLC Debtor.	Case 3:15-bk-02250-JAF Chapter 11
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AMENDED CASE MANAGEMENT SUMMARY¹

The debtor named in the above captioned case submits this case management summary pursuant to Local Rule 208-1(b).

Combined Summaries

1. This is a combined case management summary for three related cases. The three related cases were filed under chapter 11 on May 18, 2015 (“the “Petition Date”): Climate Control Mechanical Services, Inc. (“Climate Control”) pending as Case 3:15-bk-02248; Base 3, LLC d/b/a Gibson Electric (“Gibson Electric”) pending as Case 3:15-bk-2249; and The Alexander Group LLC (“Alexander Group”) pending as Case 3:15-bk-2250 (collectively, the “Debtors”).

Affiliations and Ownership

2. Debtors are wholly owned and controlled by a single individual, Louie F. Wise III (“Wise”), holding 20% or more of the voting securities of each debtor. Therefore, the three referenced cases are related and the Debtors are all “affiliates” within the meaning of §101(2).

¹ This amended case management summary is filed because the original document failed to include a listing of claims of the Internal Revenue Service in paragraphs 17, 18 and 19.

3. A motion to jointly administer the three related cases has been filed in each case.
4. Wise is the sole officer, director, manager and insider of the Debtors. He receives no compensation from the Debtors and has not for more than one year.
5. Debtors are managed by another affiliate, wholly owned by Wise, known as Facility Performance LLC (“Facility Performance”) which has not filed for relief under the Bankruptcy Code. Wise receives his compensation from Facility Performance.

Description of Business Operations

6. All three of the Debtors are engaged in the construction trades with each providing a different focus on servicing to a different segment of the construction industry:
 - a. Climate Control Mechanical Services, Inc. is a Mechanical construction contractor, sheet metal fabricator, and commercial heating ventilation and air conditioner (“HVAC”) service contractor for commercial, residential and governmental entities.
 - b. Gibson Electric is an electrical contractor for commercial, residential and governmental entities.
 - c. Alexander Group is a general contractor for commercial, residential and governmental entities.
7. The locations of the Debtors operations are all leased, and are located at the following addresses:
 - a. 2645 NE 4th Street | Ocala, Florida is the primary location of the Debtors business operations.
 - b. 85 SW 255th Street | Newberry, Florida is a secondary location.

Events Leading Up to Filing Under Chapter 11

8. An initial financial set back for the Debtors occurred when Elkins Constructors Inc. defaulted in payments on a large contract where services had been provided by the Debtors. Due to lack of cash flow, the Debtor defaulted on payments to subcontractors it owed on other projects. This resulted in general contractors and owners making claims against bonding companies on bonds posted by the Debtors. Fortunately, Zurich American Insurance Company together with Fidelity and Deposit Company of Maryland (collectively "Zurich") as sureties, stepped in to begin funding the completion of bonded projects with payments to subcontractors and to the Debtors.

9. A major line of credit with Community Bank & Trust of Florida ("Community Bank") matured in March of this year, and the bank has refused to renew the loan package. In April of this year, Community Bank elected to set off all funds on deposit with the bank against amounts owed on loans. Further, the Community Bank refused to acknowledge a security interest in certain receivables from bonded projects held by Zurich as a result of funding the projects.

10. Debtors and Zurich attempted to engage Community Bank on several occasions for the purpose of negotiating a long term resolution of the outstanding debt. Community Bank was permitted access to all business records of the Debtor. A short term forbearance agreement was eventually offered by Community Bank but it required a significant payment with no guarantee of a long term solution, and was declined by the Debtors in the first week of this month. Thereafter, Community Bank cancelled a meeting with the Debtors and Zurich and sent over 100 letters to customers of the Debtors demanding payment on all amounts owed the Debtor for bonded and non-bonded jobs and included accounts where Zurich had a security interest.

Further, Community Bank demanded that the Debtor cease use of all cash collateral, including the cash collateral of Zurich, and segregate it in a separate account solely for the benefit of the bank. Shortly thereafter, Debtors filed voluntary petitions under chapter 11.

Revenue Streams

11. The annual gross revenues² for Climate Control are indicated below.

2014 - \$15,552,000.00

2013 - \$11,934,000.00

2012 - \$8,647,000.00

12. The annual gross revenues for Gibson Electric are indicated below.

2014 - \$4,218,000.00

2013 - \$3,002,000.00

2012 - \$2,718,000.00

13. The annual gross revenues for Alexander Group are indicated below.

2014 - \$7,780,000.00

2013 - \$5,501,000.00

2012 - \$8,034,000.00

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² Dollar amounts in these Case Management Summaries are rounded to the nearest \$1,000.

Assets

14. A general description of the approximate value of the assets of Climate Control is indicated below.

Cash Accounts \$ 7,000.00

Account Receivables \$ 6,591,000.00

Inventory \$ 218,000.00

Equipment \$ 32,000.00

15. A general description of the approximate value of the assets of Gibson Electric is indicated below.

Cash Accounts \$ 2,000.00

Account Receivables \$ 870,000.00

Inventory \$ 12,835.00

Equipment \$ 10,000.00

16. A general description of the approximate value of the assets of Alexander Group is indicated below.

Cash Accounts \$ 1,000.00

Account Receivables \$ 1,269,000.00

Inventory \$ 1,000.00

Equipment \$ 0.00

Claims Against the Estates

17. A general description of the claims against the estate of Climate Control is indicated below.

Internal Revenue Service	\$ 276,000.00
Community Bank ³	\$1,885,000.00
Zurich	\$1,685,000.00
Trade Debt	\$2,375,000.00

18. A general description of the claims against the estate of Gibson Electric is indicated below.

Internal Revenue Service	\$ 89,000.00
Community Bank	\$1,885,000.00
Zurich	\$1,685,000.00
Trade Debt	\$ 530,000.00

19. A general description of the claims against the estate of Alexander Group is indicated below.

Internal Revenue Service	\$ 49,000.00
Community Bank	\$1,885,000.00
Zurich	\$1,685,000.00
Trade Debt	\$ 845,000.00

³ The claims of Community Bank and Zurich are joint debts of the Debtors.

Employees and Taxes

20. Wages for employees of the Debtors were current on the petition date.

21. Employee payroll taxes are owed as follows.

Climate Control	\$276,000.00
Gibson Electric	\$ 89,000.00
Alexander Group	\$ 49,000.00

22. Climate Control has the following number of employees: 60

23. Gibson Electric has the following number of employees: 19

24. Alexander Group has the following number of employees: 11

Strategic Objectives

25. Debtors will seek to restructure the long term debt in a consensual plan and complete all projects. Most likely the Debtors will refocus more on the services side of the business operations.

Relief Requested Within the First 14 Days

26. Debtors anticipate requesting the following relief within 14 days of the petition date -

- Motions to Use Cash Collateral
- Motions For Post Petition Financing
- Motions to Compensate Affiliate
- Motions to Jointly Administer Cases

RESPECTFULLY SUBMITTED

By: /s/ Richard A. Perry
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CERTIFICATE OF SERVICE

DATE: May 22, 2015

I CERTIFY that a copy of the foregoing above has been served, on date set forth above by electronic notice using Case Management/Electronic Case Filing (“CM/ECF”) provided by the Clerk of the United States Bankruptcy Court for the Middle District of Florida.

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